
QUARTERLY ACTIVITIES REPORT FOR QUARTER ENDED 30 SEPTEMBER 2011

31st October 2011

PROJECT ACTIVITIES

Dandaragan Phosphate Project

During the quarter, the Company conducted reconnaissance field work at the Dandaragan Phosphate Project with a view to commencing a maiden drill program during the fourth quarter of 2011.

Approvals have been granted for an initial 12 hole aircore drilling programme to commence in November 2011.

The Dandaragan Phosphate Project is located approximately 150km north of Perth lying within the Northern Perth Basin covering approximately 295 km². The project is prospective for both phosphate and potash mineralisation.

Within the project area several known phosphorous bearing prospects have been identified. These all occur within the more favourable western margin of the trough and are characterised by phosphate nodules and phosphatised wood found within greensand units.

Potential also exists within the area for Potassium (K₂O), which is the key component of Potash fertiliser (K₂SO₄), which occurs within glauconite, the key component of the greensands of the Dandaragan Trough. The market for potash has, in recent times, been similar to the phosphate market following worldwide increase in demand for fertilisers.

CORPORATE ACTIVITIES

On 21 June 2011, the Company requested a voluntary suspension of Dempsey's securities so that the Company could hold discussions with the ASX in relation to an option over a Brazilian Manganese Project. ASX advised that due to the close proximity of the Company entering into an Option Agreement to the Company's listing date, the Company's securities would remain in suspension until such time as the company released a notice of meeting to convene a meeting of shareholders to approve the exercise of the Option. On 3 October 2011, the Company announced it had elected not to exercise the option following exploration and field reconnaissance work not providing satisfactory encouragement and the suspension of the Company's securities was lifted.

The company will continue working on its existing projects and focus on its corporate objectives to implement a growth strategy and to seek out further exploration, acquisition and joint venture opportunities.

For further information contact:

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